Farmers Home Administration

Washington D.C. 20250

FmHA AN No. 1958 (1955)

July 18, 1989

SUBJECT: Notification of the Agricultural Stabilization and

Conservation Service (ASCS) and the Federal Crop Insurance Corporation (FCIC) of Acquisition of Farmers Home Administration (FmHA) Farmer Programs

Inventory Property

State Directors, District Directors and

County Supervisors

ATTN: Farmer Programs Chiefs

PURPOSE/INTENDED OUTCOME:

The purpose of this Administrative Notice (AN) is to emphasize the importance of immediately notifying Agricultural Stabilization and Conservation Service (ASCS) and Federal Crop Insurance Corporation (FCIC) in writing when FmHA acquires farm inventory property. The intended outcome is to assure that ASCS and FCIC are notified when FmHA takes acquired property into inventory, so that former owners and operators do not receive Government payments to which they are not entitled.

COMPARISON WITH PREVIOUS AN:

There has been no previous AN issued on this subject.

IMPLEMENTATION RESPONSIBILITIES:

Section 1955.18(a) of FmHA Instruction 1955-A states that "The County Supervisor will report the acquisition of farm property to the local ASCS office by memorandum . . " In addition, when property is acquired, which has an existing lease in effect, FmHA Instruction 1955-A, Section 1955.18(b)(1), states that "The servicing official will notify the lessee in writing that the Government has acquired the former lessor's rights under the lease and directs the lessee to remit all payments to FmHA."

EXPIRATION DATE: June 30, 1990

FILING INSTRUCTIONS: Preceding FmHA Instruction 1955-B

District Directors and Program Review Assistants are to review all inventory property files, during their routine County Office visits, to assure that ASCS and FCIC have been notified in writing of the acquisition of farm properties by FmHA. The reviewing official will also check with ASCS and FCIC and verify that proper notice was received. After the initial review of all inventory properties, the reviewing official(s) will continue to monitor the ASCS and FCIC notification process quarterly in each County Office. District Directors and Program Review Assistants (PRAs) will include the results of their reviews in their regular reports to the State Director. State Directors will monitor District Office and PRA reports to assure that ASCS and FCIC are provided notice of FmHA's acquisition of farm inventory property on a timely basis.

If you have any questions, please contact James C. Root of Farmer Programs Loan Servicing and Property Management Division (FPLSD) at FTS 382-1651 or commercial (202) 382-1651.

NEAL SOX JOHNSON Acting Administrator

Sent by Time Delay Option to States at 1:30 pm on 7/19/89; to Districts at 3:30 pm on 7/19/89; and Counties at 8:30 am on 7/20/89 by ASD.